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Application Serial No. 09/843,550

Attorney Docket No. ENOS0003

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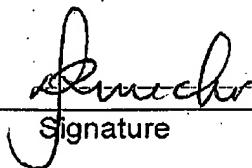
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- Reply Brief (8 pages)

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In re Application of : Raymond S. Bamford et al.
Serial No. : 09/843,550
Filed : 4/26/2001
Art Unit : 3628
Examiner : Akiba K. Robinson-Boyce
Title : PRICING ENGINE FOR ELECTRONIC COMMERCE
Atty. Docket No. : ENOS0003

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REPLY BRIEF UNDER CFR 41.41

This is a reply brief in response to the Examiner's Answer dated 7-5-2007.

Background

This application has been pending for more than five years. Accordingly, it should be advanced out of turn for examination, and treated as "special." MPEP 707.02, 708.01.

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Status

Claims 1-25 stand rejected under 35 USC 103 as being unpatentable over U.S.
Publication No. US 2004/0138966 A1 to Kopelman et al. ("Kopelman").

Response to Examiner's Answer

The Examiner's Answer responded to selected arguments from Appellant's Brief, and elected not to respond to other of Appellant's arguments. In the interest of completeness, Appellant now reasserts the entirety of previous arguments from Appellant's Appeal Brief. Moreover, to address the specific arguments in the Examiner's Answer, Appellant submits the following supplementary discussion.

Kopelman Does Not Care How Title Passes

The Kopelman application is assigned to eBay, Inc. [Kopelman: Title, Abstract]
As one would expect, the disclosure concerns a method for an intermediary (e.g., eBay) to facilitate sales of goods between independent parties. [Kopelman: para. 0020; Title, Abstract]

The honorable Examiner suggested that Kopelman discloses that a sale can be facilitated through referral to an intermediary clearinghouse or an escrow agent. [Ex. Answer: page 14; Kopelman: para. 0040, 0043] According to the Examiner's interpretation, Kopelman determines that the title of goods passes through an intermediate e-market place. [Ex. Answer: page 14] Thus, according to the Examiner, Kopelman satisfies the claimed operation of "performing a computer-executed act of

determining whether title to the goods passes directly from the manufacturer to the buyer or through an intermediate e-market place."

The Examiner's logic does not make sense. Nothing in the cited passages or any other teaching in Kopelman suggests any variation from title passing simply and directly from seller to buyer. In no case does title of goods pass through an intermediary. Hence, in no case is there any reason for Kopelman to determine whether title of goods passes through an intermediary- - it never does.

The Examiner suggested that Kopelman's paragraph 0043 satisfies a determination that title of goods passes directly from the manufacturer to the buyer.

[Ex. Answer: pages 14-15] The Examiner's interpretation of Kopelman in this regard is not clear, and furthermore does not find any support in Kopelman. What is clear, however, is Kopelman's indication that the "marketeer" is indeed eBay, which acts as an intermediary to facilitate sales of goods by independent parties. [Kopelman: para. 0020] And, the statement that eBay's website includes "goods in addition to those listed or registered for sale by sellers" does not change the fact that eBay acts as intermediary between buyer and seller without any bearing on title whatsoever. [Kopelman: para. 0043]

Kopelman Does Not Contemplate Variations in Title Passage

The Examiner did not dispute that Kopelman fails to mention "title" and further fails to contemplate anything other than direct passage of title from buyer to seller. [Ex. Answer: page 15] Interpreting the claims broadly, the Examiner interprets "title" to be

"ownership." [Ex. Answer: page 15] Moreover, the Examiner suggests that "title" does not apply to every type of good, such as a bicycle, for instance.

In the broadest sense, title constitutes a legal claim. Thus, title does indeed apply to goods such as bicycles. Furthermore, when a person sells a bicycle on eBay, there is no reasonable argument that title (or "ownership" or any other name for legal claim) somehow vests in eBay. Quite simply, title (ownership) passes from seller to buyer, and there would be no cause for eBay to perform an act of "determining whether title to the goods passes directly from the manufacturer to the buyer or through an intermediate e-market place" as claimed. By whatever words - title, ownership, or legal claim - the Examiner still did not identify any disclosure in Kopelman that contemplates anything other than seller-to-buyer transfer.

Even if *possession* were to pass through an intermediary of some sort, the record is clear that under the eBay paradigm of Kopelman, title/ownership universally passes from seller to buyer. For instance, Kopelman affirms that when eBay acts as a "clearinghouse," it receives only "sold goods" and therefore has no inventory in the traditional sense. [Kopelman: para. 0028] Moreover, eBay does not take "possession of the book for inventory purposes but rather registers the book as an item for sale." [Kopelman: para. 0026] Although an item of goods may be registered with eBay, it is for sale by the seller and eBay "has not taken possession of the good." [Kopelman: para. 0037].

Kopelman, then, fails to provide any concern for "whether title to the goods passes directly from the manufacturer to the buyer or through an intermediate e-market place" as required by the claims.

Kopelman Does Not Compute a Price of Goods "In Response To" Request From Buyer

The Examiner pointed out that Figure 1 shows the determination of the index price after a request from a buyer. [Ex. Answer: page 16] First, the buyer expresses an interest in buying the book, then the index price is determined. [/d.] Indeed, Kopelman discloses that "index price is determined at or near the time of the sale" as to the embodiment of Figure 1. [Kopelman: para. 0026]

If the Examiner's position is that claim 1 reads on the embodiment of Figure 1, then it should also be noted that Figure 1 clearly concerns a transaction between seller and buyer, where Kopelman specifically acknowledges that eBay (the "marketeer") does not even take possession of the book for inventory purposes. [Kopelman: para. 0026] In no case, then, would eBay take title/ownership of the goods. Accordingly, Kopelman cannot be said to compute price based on a determination of how title/ownership passes, since Kopelman is clear that title/ownership simply passes from seller to buyer in Figure 1.

The Examiner's Answer Did Not Address Appellant's Arguments as to Claim 25

The Examiner noted that Appellant argued that claim 25 is patentable for similar reasons as claim 1, and therefore rejected claim 25 for the same reasons as claim 1. [Ex. Answer: page 16] Indeed, Appellant stated that claim 25 is patentable for some reasons that are similar to claim 1. However, Appellant's Brief also argued that claim 25

is patentable for "additional reasons as well," and proceeded to lay out further arguments for the patentability of claim 25.

The Examiner's Answer did not respond to Appellant's arguments in this respect.

The Examiner's Answer Did Not Address Dependent Claims 3, 5, 6, 8, 11, 13, 14, 16, 19, 21, 22, and 24

The Examiner indicated that claims 2-8, 10-16, and 18-24 are rejected for similar reasons as dependent claims 1, 9, 17. [Examiner's Answer: page 16] However, Appellant's Brief spent considerable effort to analyze dependent claims in regard to the applied art and the present rejections, and to prepare detailed arguments on point. Appellant's brief advanced specific arguments as to the patentability of claims 3, 5, 6, 8, 11, 13, 14, 16, 19, 21, 22, and 24.

Nevertheless, The Examiner's Answer did not dispute any of these.

The Examiner's Answer Did Not Address the Reason To Modify Kopelman

The Examiner's Answer did not address Appellant's arguments regarding the required reason to modify Kopelman.

Although the teaching/motivation prong of the *prima facie* obviousness case has undergone some revision in recent Supreme Court cases, it is still important to consider. To wit, the Supreme Court has recognized that a patent composed of several elements is not proved obvious merely by demonstrating that each of its elements was, independently, known in the prior art.¹ The Supreme Court also recognized that, in this

¹ KSR International v. Teleflex, No. 04-1350, slip op. at 14 (U.S. Sup. Ct. April 30,

regard, helpful insight is available by considering whether there is any suggestion or motivation, either in the references themselves, or in the knowledge generally available to one of ordinary skill in the art, to modify the reference or to combine reference teachings.² Furthermore, the Patent Office has acknowledged that, in formulating a rejection under section 103 based upon a combination of prior art elements, it remains necessary to identify the reason why a person of ordinary skill in the art would have combined the prior art elements in the manner claimed.³

And, even though phrased in terms of a suggestion/motivation to modify references, Appellant's arguments on this subject are still applicable in assessing the "reason" that would have prompted a person of ordinary skill in the relevant field to combine elements in the way the claimed invention does.

In this regard, Appellant has submitted detailed arguments that (1) the proposed modification to Kopelman does not make sense, (2) the suggested motivation could lead to various alternatives, (3) the proposed modification would change Kopelman's principle of operation, and (4) the proposed modification of Kopelman actually results from impermissible hindsight reconstruction.

The Examiner's Answer did not dispute any of these. The *prima facie* obviousness case is necessarily defective as to all claims since the rejections of record suggest modifying Kopelman, but do not adequately address the required therefor. "[R]ejections on obviousness grounds cannot be sustained by mere conclusory

2007).

2 MPEP 2142.

3 USPTO memo from Margaret A. Focarino, Deputy Commissioner for Patent Operations, dated May 3, 2007.

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statements; instead, there must be some articulated reasoning with some rational underpinning to support the legal conclusion of obviousness."⁴

Conclusion

For the foregoing reasons and those previously advanced in Appellant's Appeal Brief, all pending claims are patentably distinguished over the cited references.

Accordingly, the Examiner should be reversed and ordered to pass the case to issue.

If any fees are required by this submission, an appropriate fee submittal sheet is enclosed herewith. If fees are required yet this sheet is inadvertently missing, or the fees are incorrect in amount, please charge the charge the required fees (or credit any overpayment) to Deposit Account No. 07-1445.

Respectfully Submitted,



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4 *Id.* at 14.

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